

## State of Utah

JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

## **Utah State Tax Commission**

PAM HENDRICKSON Commission Chair

R. BRUCE JOHNSON Commissioner

PALMER DEPAULIS

MARC B. JOHNSON Commissioner

RODNEY G. MARRELLI Executive Director

October 6, 2005

## **Utah State Tax Commission responds To Governor's income tax reform plan**

The Tax Commission appreciates the commitment of Governor Huntsman's proposal to simplify state income tax laws and make them more fair for Utah taxpayers.

The proposal, if adopted in its current form by the Legislature, would:

- Lower the maximum personal income tax rate from seven to five percent
- ➤ Change Utah's ranking of 16<sup>th</sup> highest income tax among states to 35<sup>th.</sup>
- Create an exemption for all taxpayers of \$12,000 per household; allow a \$4,000 per person exemption up to five; and allow for charitable tax credits
- Simplify the filing process by reducing the 2-page form to about the size of a postcard